



FUNDING SOURCES

CalVet Home Loans are funded through the sale of tax-exempt bonds. Even though the CalVet Home Loan program has been totally self-supporting and no taxpayer funds have been used to repay its bonds, there are state and federal limitations on the amounts of general obligation bonds that may be sold for the program. Federal laws and regulations resulting from the Mortgage Subsidy Bond Tax Act of 1980, the Deficit Reduction Act of 1984, the Tax Reform Act of 1986, and subsequent amendments, have affected the ways in which all CalVet bond funds may be used. The following paragraphs explain how funds currently available may be used to make CalVet loans.

QUALIFIED VETERANS MORTGAGE BOND PROGRAM (QVMB)

► **Veterans with wartime service**

General obligation bonds are backed by the full faith and credit of the State of California and must be authorized by a vote of the people at a general, statewide election. All general obligation bonds sold to support the CalVet loan program are repaid by CalVet loan holders through the payment of principal and interest on their loans. Under federal law, general obligation veterans bonds may be used to fund loans only to veterans who served on active duty prior to January 1, 1977 who apply within thirty years from their release from active duty, and who received a discharge classified as Honorable or Under Honorable Conditions. Under state law, set forth in the California Military and Veterans Code, the veteran must have served during a qualifying war period or received an armed forces expeditionary medal or campaign medal awarded by the federal government for the period served. Although unremarried spouses of veterans may qualify for CalVet loans under state laws, federal laws prohibit them from being funded with general obligation bond proceeds.

General obligation bond funds may be used to purchase homes (including condominiums), mobile homes on land owned by the applicant and mobile homes in mobile home parks. There are no purchase price restrictions on the properties which can be purchased with general obligation bond funds, nor are there income limitations on the veteran borrower.

UNRESTRICTED (PRE-ULLMAN) BOND PROGRAM

► **All Veterans**

CalVet has a limited amount of funds available for veterans who do not qualify for either General Obligation or Revenue Bonds. Check with your nearest CalVet office for availability of these funds before you commit to the purchase of a property.

QUALIFIED MORTGAGE BOND PROGRAM (QMB)

► **All Veterans and current members of the California National Guard or US Military Reserves**

All veterans who have received a discharge classified as Honorable or Under Honorable Conditions are eligible for QMB funding. QMB funds are usually limited to first time homebuyers, but for 2007 that restriction has been removed. Properties purchased with QMB funds must qualify under purchase price limits established under guidelines provided by the Internal Revenue Service. The purchase price for non-target areas cannot exceed 90% of the average area purchase price for the statistical area or county in which the property is located. If an applicant is purchasing in a targeted area, the purchase price cannot exceed 120% of the average area purchase price for the statistical area or county in which the property is located. The applicant must also qualify under income limits which are issued annually by the U. S. Department of Housing and Urban Development. **PURCHASE PRICE AND INCOME LIMITS FOR TARGET AND NON-TARGET AREAS ARE ON THE BACK OF THIS PAGE.**

QMB loans are available only on single-family residences (including condominiums) and mobile homes on land owned by the applicant.

QMB funded loans may be liable for a federally imposed Recapture Tax if the property being purchased is disposed of (sold) within the first full 9 years following the funding date. This tax is intended to repay the federal government for the benefit of using tax-exempt bonds. There is no Recapture Tax due if the disposition of the property is by reason of the death of the veteran. These provisions governing the uses of QMB funds are dictated by federal laws contained in the Internal Revenue Code.

National Guard/Reserve Eligibility - current members of the California National Guard or the US Military Reserves who have served a minimum of one year of a six year commitment, may qualify to receive a loan from QMB funds if qualified under one of the following two categories:

1. "First-time home buyer." A first-time home buyer is defined by the federal government as one who has not owned an interest of record in his/her principal place of residence during the three years prior to closing escrow on the revenue bond funded loan. Both the applicant and spouse, if applicable, must qualify as first-time homebuyers.
2. "Targeted area" purchaser. A targeted area is defined by the federal government as an area of low income or chronic economic distress.

NOTE: All members of the National Guard or the US Reserves who have at any time been ordered to active duty by presidential executive order and discharged are eligible for QVMB, QMB, or Unrestricted funds subject to the requirements listed above.

This chart sets forth the current purchase price limitations and the current income limitations in various areas of the state. **Only loans made with QMB proceeds are subject to these limitations** which are set according to guidelines provided by the federal government. Those administering the CalVet loan program have no discretion regarding these limitations.

**AVERAGE AREA PURCHASE PRICE and INCOME LIMITS
for QMB Funded Loans Only (Effective 3/17/2008)**

County	Purchase Price Limits				Income Limits				County
	Non-Target Areas		Target Areas		Non-Target Areas		Target Areas		
	New	Existing	New	Existing	1 & 2 Persons	3 or More Persons	1 & 2 Persons	3 or More Persons	
Alameda	\$ 864,177	\$ 864,177	\$ 1,056,217	\$ 1,056,217	\$ 103,320	\$ 120,540	\$ 103,320	\$ 120,540	Alameda
Alpine	\$ 648,355	\$ 648,355	\$ 792,434	\$ 792,434	\$ 83,280	\$ 97,160	\$ 83,280	\$ 97,160	Alpine
Amador	\$ 525,493	\$ 525,493	\$ 642,269	\$ 642,269	\$ 80,040	\$ 93,380	\$ 81,360	\$ 94,920	Amador
Butte	\$ 473,684	\$ 473,684	\$ 578,947	\$ 578,947	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Butte
Calaveras	\$ 547,697	\$ 547,697	\$ 669,407	\$ 669,407	\$ 73,680	\$ 85,960	\$ 81,360	\$ 94,920	Calaveras
Colusa	\$ 470,723	\$ 470,723	\$ 575,328	\$ 575,328	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Colusa
Contra Costa	\$ 864,177	\$ 864,177	\$ 1,056,217	\$ 1,056,217	\$ 103,320	\$ 120,540	\$ 103,320	\$ 120,540	Contra Costa
Del Norte	\$ 368,585	\$ 368,585	\$ 450,493	\$ 450,493	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Del Norte
El Dorado	\$ 686,842	\$ 686,842	\$ 839,473	\$ 839,473	\$ 85,200	\$ 99,400	\$ 85,200	\$ 99,400	El Dorado
Fresno	\$ 451,480	\$ 451,480	\$ 551,809	\$ 551,809	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Fresno
Glenn	\$ 340,460	\$ 340,460	\$ 416,118	\$ 416,118	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Glenn
Humboldt	\$ 466,282	\$ 466,282	\$ 569,901	\$ 569,901	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Humboldt
Imperial	\$ 384,868	\$ 384,868	\$ 470,394	\$ 470,394	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Imperial
Inyo	\$ 518,092	\$ 518,092	\$ 633,223	\$ 633,223	\$ 69,000	\$ 80,500	\$ 81,360	\$ 94,920	Inyo
Kern	\$ 436,677	\$ 436,677	\$ 533,717	\$ 533,717	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Kern
Kings	\$ 384,868	\$ 384,868	\$ 470,394	\$ 470,394	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Kings
Lake	\$ 475,164	\$ 475,164	\$ 580,756	\$ 580,756	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Lake
Lassen	\$ 337,500	\$ 337,500	\$ 412,500	\$ 412,500	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Lassen
Los Angeles	\$ 864,177	\$ 864,177	\$ 1,056,217	\$ 1,056,217	\$ 90,960	\$ 106,120	\$ 90,960	\$ 106,120	Los Angeles
Madera	\$ 503,289	\$ 503,289	\$ 615,131	\$ 615,131	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Madera
Marin	\$ 864,177	\$ 864,177	\$ 1,056,217	\$ 1,056,217	\$ 135,720	\$ 158,340	\$ 135,720	\$ 158,340	Marin
Mariposa	\$ 488,486	\$ 488,486	\$ 597,039	\$ 597,039	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Mariposa
Mendocino	\$ 606,907	\$ 606,907	\$ 741,776	\$ 741,776	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Mendocino
Merced	\$ 559,539	\$ 559,539	\$ 683,881	\$ 683,881	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Merced
Modoc	\$ 320,980	\$ 320,980	\$ 392,309	\$ 392,309	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Modoc
Mono	\$ 701,402	\$ 569,285	\$ 857,269	\$ 695,792	\$ 79,080	\$ 92,260	\$ 81,360	\$ 94,920	Mono
Monterey	\$ 864,177	\$ 864,177	\$ 1,056,217	\$ 1,056,217	\$ 77,760	\$ 90,720	\$ 81,360	\$ 94,920	Monterey
Napa	\$ 864,177	\$ 864,177	\$ 1,056,217	\$ 1,056,217	\$ 95,520	\$ 111,440	\$ 95,520	\$ 111,440	Napa
Nevada	\$ 666,118	\$ 666,118	\$ 814,144	\$ 814,144	\$ 78,120	\$ 91,140	\$ 81,360	\$ 94,920	Nevada
Orange	\$ 864,177	\$ 864,177	\$ 1,056,217	\$ 1,056,217	\$ 111,600	\$ 130,200	\$ 111,600	\$ 130,200	Orange
Placer	\$ 686,842	\$ 686,842	\$ 839,473	\$ 839,473	\$ 85,200	\$ 99,400	\$ 85,200	\$ 99,400	Placer
Plumas	\$ 485,526	\$ 485,526	\$ 593,421	\$ 593,421	\$ 70,920	\$ 82,740	\$ 81,360	\$ 94,920	Plumas
Riverside	\$ 592,105	\$ 592,105	\$ 723,684	\$ 723,684	\$ 79,920	\$ 93,240	\$ 81,360	\$ 94,920	Riverside
Sacramento	\$ 686,842	\$ 686,842	\$ 839,473	\$ 839,473	\$ 85,200	\$ 99,400	\$ 85,200	\$ 99,400	Sacramento
San Benito	\$ 864,177	\$ 864,177	\$ 1,056,217	\$ 1,056,217	\$ 93,600	\$ 109,200	\$ 93,600	\$ 109,200	San Benito
San Bernardino	\$ 592,105	\$ 592,105	\$ 723,684	\$ 723,684	\$ 79,920	\$ 93,240	\$ 81,360	\$ 94,920	San Bernardino
San Diego	\$ 825,986	\$ 825,986	\$ 1,009,539	\$ 1,009,539	\$ 94,800	\$ 110,600	\$ 94,800	\$ 110,600	San Diego
San Francisco	\$ 864,177	\$ 864,177	\$ 1,056,217	\$ 1,056,217	\$ 135,720	\$ 158,340	\$ 135,720	\$ 158,340	San Francisco
San Joaquin	\$ 578,782	\$ 578,782	\$ 707,401	\$ 707,401	\$ 73,560	\$ 85,820	\$ 81,360	\$ 94,920	San Joaquin
San Luis Obispo	\$ 814,144	\$ 814,144	\$ 995,065	\$ 995,065	\$ 80,400	\$ 93,800	\$ 81,360	\$ 94,920	San Luis Obispo
San Mateo	\$ 864,177	\$ 864,177	\$ 1,056,217	\$ 1,056,217	\$ 135,720	\$ 158,340	\$ 135,720	\$ 158,340	San Mateo
Santa Barbara	\$ 864,177	\$ 864,177	\$ 1,056,217	\$ 1,056,217	\$ 93,360	\$ 108,920	\$ 93,360	\$ 108,920	Santa Barbara
Santa Clara	\$ 864,177	\$ 864,177	\$ 1,056,217	\$ 1,056,217	\$ 127,320	\$ 148,540	\$ 127,320	\$ 148,540	Santa Clara
Santa Cruz	\$ 864,177	\$ 864,177	\$ 1,056,217	\$ 1,056,217	\$ 104,400	\$ 121,800	\$ 104,400	\$ 121,800	Santa Cruz
Shasta	\$ 501,809	\$ 501,809	\$ 613,322	\$ 613,322	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Shasta
Sierra	\$ 337,500	\$ 337,500	\$ 412,500	\$ 412,500	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Sierra
Siskiyou	\$ 347,861	\$ 347,861	\$ 425,164	\$ 425,164	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Siskiyou
Solano	\$ 660,197	\$ 660,197	\$ 806,907	\$ 806,907	\$ 90,480	\$ 105,560	\$ 90,480	\$ 105,560	Solano
Sonoma	\$ 784,539	\$ 784,539	\$ 958,881	\$ 958,881	\$ 93,360	\$ 108,920	\$ 93,360	\$ 108,920	Sonoma
Stanislaus	\$ 501,809	\$ 501,809	\$ 613,322	\$ 613,322	\$ 67,800	\$ 79,100	\$ 81,360	\$ 94,920	Stanislaus
Sutter	\$ 503,289	\$ 503,289	\$ 615,131	\$ 615,131	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Sutter
Tehama	\$ 370,065	\$ 370,065	\$ 452,302	\$ 452,302	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Tehama
Trinity	\$ 320,980	\$ 320,980	\$ 392,309	\$ 392,309	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Trinity
Tulare	\$ 384,868	\$ 384,868	\$ 470,394	\$ 470,394	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Tulare
Tuolumne	\$ 518,092	\$ 518,092	\$ 633,223	\$ 633,223	\$ 69,000	\$ 80,500	\$ 81,360	\$ 94,920	Tuolumne
Ventura	\$ 864,177	\$ 864,177	\$ 1,056,217	\$ 1,056,217	\$ 102,840	\$ 119,980	\$ 102,840	\$ 119,980	Ventura
Yolo	\$ 686,842	\$ 686,842	\$ 839,473	\$ 839,473	\$ 85,200	\$ 99,400	\$ 85,200	\$ 99,400	Yolo
Yuba	\$ 503,289	\$ 503,289	\$ 615,131	\$ 615,131	\$ 67,800	\$ 77,970	\$ 81,360	\$ 94,920	Yuba



The California Department of Veterans Affairs currently has offices in the locations listed below. It is suggested that you call the nearest office to confirm office hours before visiting. Any of our offices will be pleased to answer your questions and provide loan application materials. All numbers listed are toll free.

Fresno: **866.653.2511**
1752 E. Bullard Ave., Suite 101
93710 **Fresno@cdva.ca.gov**

Bakersfield: **866-653-2507**
5500 Ming Avenue, Suite 155
93309 **Bakersfield@cdva.ca.gov**

Redding: **866-653-2508**
1900 Churn Creek Rd., Suite 221
96002 **Redding@cdva.ca.gov**

Sacramento: **866-653-2510**
1227 O Street
95814 **Sacramento@cdva.ca.gov**

San Diego: **866.653.2504**
1350 Front Street, Room 2023
92101 **SanDiego@cdva.ca.gov**

Riverside: **800.700.2127**
1770 Iowa Avenue, Suite 260
92507 **Riverside@cdva.ca.gov**

You may also reach the California Department of Veterans Affairs at:

California Department of Veterans Affairs
P.O. Box 942895
Sacramento, CA 94295-0001

Toll Free Information Number: 800.952.5626

Internet Web Site: www.cdva.ca.gov
General Information Email address: loanserv@cdva.ca.gov